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## FAX COVER SHEET

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FROM: Fredrick P. Wilson  
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TO: Judge Robert D. Drain  
Bankruptcy Court  
U.S. Bankruptcy Court – Case #05-44481  
One Bowling Green  
New York, New York 10004-1408  
FAX: (914) 390-4073

**FAX NUMBER: 914-390-4073**

**SUBJECT: DELPHI Salaried Pension Fund Transfer to GM**

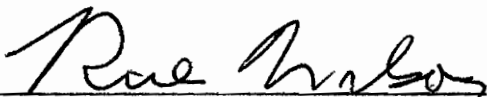
Dear Judge Robert D. Drain;

Attached is a letter requesting your consideration in transferring the Pension Fund Responsibility for DELPHI Salaried Retirees back to GM, which is where it belongs.

Attached Letter: - 3 pages

**TOTAL NUMBER OF PAGES, INCLUDING COVER SHEET: 4**

Regards,



Fredrick P. "Rick" Wilson  
DELPHI Salaried Involuntary Retiree  
Republican Candidate for the 5<sup>th</sup> Congressional District of Michigan in 2010  
Chairman's Advisory Board, RNC  
MIGOP  
Executive Board, Genesee County GOP  
Republican 5<sup>th</sup> Congressional District Committee  
Precinct Delegate, 1<sup>st</sup> Precinct, Grand Blanc

June 9, 2009

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The Honorable Judge Robert D. Drain  
Bankruptcy Court  
U.S. Bankruptcy Court – CASE #05-44481  
One bowling Green  
New York, New York, 10004-1408  
FAX: (914) 390-4073

Dear Judge Drain,

It is my understanding from various sources that DELPHI Corporation, as part of its solution to exiting from bankruptcy as a "viable" corporation, is trying to foist its Salaried Retiree Pension responsibilities onto the Pension Benefit Guarantee Corporation.

Per my involvement with the DELPHI Salaried Retirees Association, I am in complete agreement with their letters to you regarding this.

When DELPHI first went into bankruptcy, their rational to us, their salaried workers, primarily lower and middle level managers, was that DELPHI needed to enter bankruptcy so that it could reorganize and return to profitability. The return to profitability was needed so that DELPHI could afford to fund and could continue to fully fund the retirement and health care needs of its employees and retirees. This was reiterated to us numerous times, both verbally and in written communications. As valued salaried employees we were repeatedly told this. As Salaried Retirees, we were repeatedly told this. When we were informed in late January, 2009, that our Health Care was no longer going to be funded by DELPHI, it was stated that DELPHI needed to do this so that it could continue to fund the pensions of its salaried retirees.

The entire raison d'être for DELPHI, as it so stated itself, appears to no longer exist. It would be appropriate to enforce the liens you have on DELPHI for the balance of the short-fall in the Salaried Retiree pension fund, which I understand is approximately \$2 billion, or about 46% short of being fully funded. Of course, DELPHI could voluntarily leverage its profitable overseas businesses to fully finance the retirement fund, as it is required to do by law, as long as it is not bankrupt. Or, as a more readily palatable solution, the responsibility for the DELPHI Salaried Retiree Pension Fund could, and should, be returned to the responsible corporate parent, GM.

As knowledgeable businessmen, we knew and understood the need to enter bankruptcy: it was the only way to get out from under the losing hand DELPHI had been dealt upon separation from GM, under GM's terms, and as dictated by GM. An impoverished management team that was handpicked by GM to "get along" with GM, was the first nail in the coffin. Saddling DELPHI with non-competitive supply contracts that stunted any and all efforts by DELPHI to be the company it should have been, and was, under GM, thirty years ago, before GM, hamstringing DELPHI, added several huge straws to the DELPHI camel's back. Saddling DELPHI with unviable UAW and IUEW contracts finished off the crippled offspring.

With the experience of AIG burned into our psyches, it makes the "bonuses" paid to the "executives" of DELPHI while it was in bankruptcy, several times over several years, even more onerous. We all said at those times, while we were still employed by DELPHI, that those bonuses were not needed, and that if those executives didn't want to work for their straight salaries, then they should be let go, and replaced with dedicated DELPHI employees that were glad to have a job at the wages we were paid. Those executives were all known to us, they were not deserving of those bonuses, and they were not irreplaceable. That bonus money, tens if not hundreds of millions of dollars, would have been far better spent more fully funding the Salaried Retirement Fund. Perhaps some bonus money could be returned to the Retirement Fund.

DELPHI is the crippled orphan created by GM. As, for example, GM has recognized its responsibility for its orphan by re-assuming responsibility for funding the hourly pensions and for funding the VEBA for the hourly retiree health care program, it does make sense that the responsibility for the DELPHI Salaried Retirees Pensions and Delphi Salaried Retiree Health Care should be returned to GM.

As a veteran with 25 ½ years with GM, it would make more sense to add the DELPHI underfunded fund dollars to the GM fund than to do an apportionment of the funds to each retiree from each fund. That would be an administrative headache that is unneeded.

- 1) It is my understanding that DELPHI cannot emerge from Chapter 11 without successfully resolving the Salaried Pension issues. The two most logical steps are to turn the pension over to the PBGC, or return the responsibility to GM, whence the original liability came from.
- 2) By turning the Pension Benefit Responsibility over to the PBGC, this will saddle the government with another extremely large, incredibly underfunded, pension fund.
- 3) The PBGC holds liens on numerous assets that DELPHI says it needs to sell to emerge from Chapter 11. Either these items should be sold, and the lien amount be delivered to the PBGC, the DELPHI Salaried Retirement Fund, or the GM Salaried Retirement Fund to which the DELPHI Salaried retirees will be transferred to, or the

liens should be removed with some understanding of the amounts that should be transferred to which organization to fund the DELPHI Salaried Retirees.

4) GM intends to purchase some of the DELPHI assets that the PBGC has liens on. Once again, the appropriate agreement must be reached to allow those transfers to proceed, and for the appropriate amount to go to the appropriate organization, most logically GM, that is going to fund the DELPHI Salaried retirees.

5) By requiring that GM live up to its responsibilities, and assume the responsibility for the DELPHI Salaried Retirees Pension Fund, the PBGC will not be saddled with the expense of another large, and largely underfunded, pension plan.

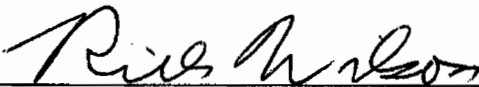
6) As retirees, we pay income taxes. With the PBGC assuming that responsibility, that will not only cease, but many of us will be placed into the Unearned Income receiving category on our income tax returns, which will require a further outlay of Federal Funds, to the continued detriment of the U.S. Treasury.

It makes great sense, from the financial standpoint as well as the ethical standpoint, that the DELPHI Salaried Pension Fund responsibility be returned to GM where it belongs.

I am urging you to work with Mr. Snowbarger and Mr. Nacy of the Pension Benefit Guarantee Corporation, GM, and DELPHI, to effectuate the early transfer of the Retirement Pension Funding responsibility, and the appropriate funds, from DELPHI, back to GM, where the ultimate responsibility originated and still resides.

I would appreciate a timely response.

I am at your service,



Fredrick P. "Rick" Wilson